

SELECTION STATEMENT

RFO 1-059-SMB.1076A for SECURITY SERVICES NASA Langley Research Center

On September 24 and 25, 2002, I, along with certain Langley Research Center (LaRC) officials who have responsibilities related to this procurement, met with the NASA Buying Team appointed to evaluate proposals to provide Security Services for LaRC. The Buying Team's presentation included procurement background, evaluation procedures, and the final evaluation findings of the Buying Team.

PROCUREMENT DESCRIPTION

The Security Services order will include security force services, operation of the Emergency Dispatch Office, locksmith services, operation of the Badge and Pass Office, personnel security services, Public Key Infrastructure Registration Authority services, and coordination of international (foreign national) visits to NASA Langley Research Center, as well as IDIQ support in security education and training, physical security, program security and classified information system security. This support is currently being provided by DynCorp Technical Services under NASA contract NAS1-02080.

The award will be made under General Services Administration, Federal Supply Schedule 539, Solutions and More (SAM), Special Item Number (SIN) 264-54 Guard Services. A firm-fixed price order has been determined to be the most appropriate type for this procurement. The base term of the order will be for 12 months, with four 1-year options. A two-week phase-in period is scheduled from October 1, 2002 through October 15, 2002 with performance beginning on October 16, 2002. Specific work requirements and performance standards are defined in the Statement of Work. In addition to the basic order, IDIQ delivery orders will be awarded to the selected contractor for additional security support as needed.

SOURCES

The Request for Offer (RFO) was issued to six GSA Schedule Contract holders on June 13, 2002 by electronic and regular mail. Representatives from five firms attended a site-visit and pre-proposal conference on June 24, 2002. Proposals were received on July 15, 2002 from the following five firms:

- Coastal International Security ("Coastal")
- DTM Corporation
- DynCorp Technical Services ("DynCorp")

- MVM Incorporated ("MVM")
- Pinkerton Government Services

Proposals submitted by DTM Corporation and Pinkerton Government Services were determined to be technically unacceptable because they did not represent a reasonable effort to address the essential requirements of the RFO, and thus were not evaluated.

EVALUATION PROCEDURE

Prior to the issuance of the RFO, I appointed a Source Evaluation Team (SET) to conduct an evaluation of proposals received in response to the RFO. The proposals submitted in response to this solicitation were evaluated using Exhibit I of the RFO entitled "Proposal Evaluation". Adjective ratings were applied to the Qualitative Evaluation Criteria and to Past Performance. The Source Selection Official, after consultation with the SET and other advisors, will select for award the offeror that he determines can perform the contract in a manner most advantageous to the Government, all factors considered. The RFO set forth the following three evaluation factors:

- Qualitative Evaluation Criteria
- Cost/Price
- Past Performance

The Qualitative Evaluation Criteria was evaluated using the following adjective definitions:

Exceeds Requirement - A proposal which addresses and demonstrates an understanding and feasible approach to all the requirements of the Request for Offer (RFO). Technical superiority is clearly demonstrated. The proposal may be accepted on its present terms.

Meets Requirement - A proposal that meets all essential requirements of the RFO. Strengths outweigh weaknesses, and weaknesses do not significantly detract from the proposal. The proposal may be accepted on its present terms.

Does Not Meet Requirements - A proposal that contains deficiencies in either approach or understanding, and does not address all essential requirements of the RFO. This includes approaches that are not technically feasible or could not be acceptable without revision.

The following ratings were used to evaluate Past Performance for each offeror:

Excellent - Of exceptional merit; exemplary performance in a timely, efficient, and economical manner; very minor (if any) deficiencies with no adverse effect on overall performance; and experience that is highly relevant to this procurement.

Very Good – Very effective performance; fully responsive to contract requirements; contract requirements accomplished in a timely, efficient, and economical manner for the most part; only minor deficiencies; and experience is very relevant to this procurement.

Good - Effective performance; fully responsive to contract requirements; reportable deficiencies, but with little identifiable effect on overall performance; and experience is relevant to this procurement.

Satisfactory – Meets or slightly exceeds minimum acceptable standards; adequate results; reportable deficiencies with identifiable, but not substantial, effects on overall performance.

Poor/Unsatisfactory – Does not meet minimum acceptable standards in one or more areas; remedial action required in one or more areas which adversely effect overall performance.

Neutral Rating – Offeror has no record of relevant past performance. This rating is neither favorable or unfavorable for past performance.

Overall, in the selection of a Contractor for contract award, Qualitative Evaluation Criteria, Cost/Price, and Past Performance will be of essentially equal importance. All evaluation factors other than Cost/Price, when combined, are significantly more important than Cost/Price.

SELECTION

The following includes the Source Selection Authority's summary of the comparative strengths and weaknesses of the three proposals, ordered by evaluation factor, and the source selection decision and the basis for that decision. It is the opinion of the Source Selection Authority that the Source Selection Team conducted a fair and unbiased evaluation of proposals, and that their evaluation was fully in accordance with the evaluation factors set forth in the RFO.

Qualitative Evaluation Criteria

In comparing the offers, I noted that each firm has a rating of "Exceeds" for three of the five Qualitative Evaluation Criteria and a rating of "Meets" for the other two. All three firms have the same rating for Technical Management ("Exceeds"), Staffing ("Exceeds"), and Facility Security Clearance ("Meets"). The differences in adjective ratings come in Phase-In, where both Coastal and MVM are rated "Exceeds" and DynCorp is rated "Meets", and in Risk Management, where DynCorp is rated "Exceeds" and both Coastal and MVM are rated "Meets". A small number of the strengths noted by the SET are more significant than the others in that they have impact in critical areas and/or across the entire statement of work, as opposed to strengths that, even though they add value, are

narrow in their focus. Also, some strengths are related to IDIQ work, and are of lower weight in the evaluation criteria. The significant strengths are discussed below as key discriminators among the technical proposals.

There is, in my opinion, no substantial difference between the quality of the Technical Management proposals of Coastal and DynCorp. Coastal has strengths relating to organizational structure and local management authority, for a number of innovative ideas in specific areas of the SOW, and for a confirmed subcontract arrangement that will permit higher levels of responsiveness to task orders. DynCorp has strengths for local management authority, for a number of innovative ideas in specific areas of the SOW, and for their commitment to ISO-9000:2000 compliance as a means to better planning, controlling and completing of the work under the contract. MVM has strengths for local management authority, for a number of innovative ideas in specific areas of the SOW, for two confirmed subcontract arrangements, and for an innovative electronic work and data tracking system, but MVM had a weakness for their failure to describe their proposed guard force deployment in enough detail to allow the Government to evaluate the approach (even though a discussion question was asked on this issue). While MVM's other strengths were collectively sufficient to offset this weakness such that an "Exceeds" rating was earned, the Coastal and DynCorp Technical Management proposals are considered to be somewhat stronger than MVM's because of this omission by MVM.

Under Staffing, Coastal's proposal is superior to those of DynCorp and MVM, primarily because Coastal's proposed staffing levels are significantly higher than the other two firms, thus affording a higher level of protection to Langley Research Center, but also because of the very thorough psychological screening and background investigations that Coastal proposed. DynCorp, in my opinion, has a slightly better proposal than MVM in Staffing, based on DynCorp's somewhat higher staffing levels, particularly in CLIN 1 – Security Force Services, and on DynCorp's access to a full-time corporate recruiting office, which could be critical if NASA Langley is forced to quickly respond to heightened security threats.

Under Phase-In, both Coastal and MVM have proposed very detailed phase-in plans and schedules that are likely to result in a successful phase-in. DynCorp does not devote nearly as much of their proposal to Phase-In as do the other offerors, but their proposal does meet the Government's expectations in this area. Since DynCorp is the incumbent contractor it is considered very likely, based on their proposal, that they would conduct a successful phase-in as well.

DynCorp's proposal under Risk Management is far superior to the other two proposals. DynCorp's identification of potential risks specific to the Langley Research Center (LaRC) effort is extensive and demonstrates an excellent understanding of the contracted effort, and their proposed mitigation actions are appropriate for each identified risk. MVM and Coastal both demonstrate a good understanding of the risk mitigation and management process. However, while MVM does an acceptable job that meets expectations in identifying risks and related mitigation actions for this effort, they do not do so to nearly the same depth as DynCorp. Coastal does not address risks specific to the

LaRC effort, and they received a weakness for this omission. Accordingly, MVM's Risk Management proposal is considered superior to Coastal's, but not as good as DynCorp's.

All three firms demonstrated their ability to meet the contract requirement for a Facility Security Clearance, but none of the offerors proposed anything in this area to earn strengths or weaknesses. As was stated above, all three received a rating of "Meets".

Cost/Price

Under this factor I noted that the prices offered by MVM and DynCorp are nearly equal, with DynCorp being lower by \$6,371, which is less than one tenth of one percent of the \$7.9M price of the order. Coastal's price, on the other hand, is \$2.6M higher than DynCorp's; this is 33% higher (\$10.48M vs. \$7.88M) than DynCorp's price for the firm-fixed price portion of the order, and is 14.5% higher (\$20.48M vs. \$17.88M) than DynCorp's total price when the \$10M IDIQ portion of the order is added to each offer.

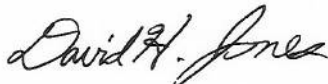
Past Performance

No negative past performance information was received on any of the offerors, and no deficiencies in performance were noted on any of the three customer surveys that we received for each company. DynCorp received overall ratings of "Excellent" from two customers and an overall rating of "Very Good" from one of their customers. DynCorp was also able to demonstrate highly relevant experience by presenting evidence of experience in all of the areas covered by the statement of work. Coastal received overall "Excellent" ratings from all three of their customers that responded to the SET. Coastal presented evidence of highly relevant experience by citing experience in all of the firm-fixed price CLINs except Personnel Security, and in all the IDIQ areas except Classified Information Systems Security. Accordingly, both DynCorp and Coastal were rated "Excellent" for the Past Performance factor by the SET. In my opinion, DynCorp's slightly broader relevant experience and Coastal's slightly higher customer ratings leave the two offerors on essentially equal footing under the Past Performance factor. MVM also received overall ratings of "Excellent" from two customers and an overall rating of "Very Good" from one of their customers. MVM cited work experience in guard services, dispatch operations, badge and pass office operations and physical security, but not in locksmith services, personnel security, Public Key Infrastructure support, international visits support, security education and training, program security, or information system security. MVM received a rating of "Very Good" for the Past Performance factor from the SET on the strength of their customer performance ratings, and their experience, which is very relevant to this effort.

Selection Decision

The RFO states that the three evaluation factors, Qualitative Evaluation Criteria (technical), Price/Cost, and Past Performance are to be considered essentially equal in the selection of a contractor. Coastal, in my opinion, submitted a technical proposal that was marginally better than DynCorp's, primarily because of the additional personnel that they proposed, thus affording a higher level of protection, and because of their detailed phase-in plan. The difference in the Coastal and DynCorp technical proposals is only marginal because of the superior risk management assessment presented by DynCorp (compared to Coastal), which provides me with great confidence in DynCorp's ability to perform well. MVM's technical proposal is not as strong as DynCorp's because DynCorp's staffing levels are higher than MVM's, especially under CLIN 1 - Guard Services, thus affording a higher level of protection, and because DynCorp's contract-related risk management assessment is also stronger than that provided in MVM's proposal. MVM does have a stronger phase-in plan than DynCorp, but DynCorp's strengths are, in my opinion, of greater overall value to NASA than MVM's strengths. All three companies have performed exceedingly well on related work, but only DynCorp and Coastal have the combined quality of performance and relevant experience to merit the highest adjective rating of "Excellent". MVM also is rated as "Excellent" by their customers and has experience covering a majority of the statement of work areas, but several key areas are missing from their relevant experience. Accordingly, MVM merited the somewhat lesser rating of "Very Good" in Past Performance. DynCorp's firm-fixed price is slightly less than that proposed by MVM, and is significantly lower than Coastal's price.

Based on an integrated assessment of each proposal and the evaluation factors, I determined that DynCorp's proposal is the most advantageous to the Government, all factors considered. Because DynCorp's proposal is priced lower than MVM's and because DynCorp's proposal is superior to MVM's proposal under the other two factors for the reasons stated in the preceding paragraphs, DynCorp's overall proposal is considered to be more advantageous to the Government than MVM's, all factors considered. Turning to Coastal, both Coastal and DynCorp provide essentially the same value to the Government under Past Performance. DynCorp's firm-fixed price is \$2.6M less than Coastal's proposed price over the five-year term of the order. While Coastal's technical approach is considered to be somewhat stronger than DynCorp's, mainly because of the higher staffing levels proposed, it is not in my opinion worth the additional cost of \$2.6M (\$520,000 per year) to obtain the marginal additional technical value that Coastal's proposal offers. In any event, the price proposed by Coastal significantly exceeds the funds that Langley Research Center has available for this order, so it would not be feasible to award to Coastal. Accordingly, it is my decision to select DynCorp for award of this GSA Federal Supply Schedule order, since their offer is the most advantageous to the Government, all factors considered.



David H. Jones
Source Selection Authority

9-30-02

Date